

Amendment No. 1 to HB0484

Halford
Signature of Sponsor

AMEND Senate Bill No. 550*

House Bill No. 484

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-6-102, is amended by adding the following language as a new, appropriately designated subdivision:

(_) "Unprepared vegetables" means fresh vegetables which are either naturally edible when harvested or are a primary ingredient used in cooking, as determined by the department, which may be repacked or trimmed by the seller including but not limited to carrots and mushrooms but not including carrot sticks or sliced mushrooms. "Unprepared vegetables" also means minimally processed vegetables, as determined by the department, including but not limited to dry beans but not including canned beans;

SECTION 2. Tennessee Code Annotated, Section 67-6-228, is amended by deleting the section in its entirety and substituting instead the following:

67-6-228.

(a) Notwithstanding any provision of this part to the contrary, except as otherwise provided in subsections (b) and (c), the retail sale of food and food ingredients for human consumption shall be taxed at the rate of five and one quarter percent (5.25%) of the sales price.

(b) The retail sale of food and food ingredients sold as prepared food, alcoholic beverages, candy, dietary supplements, and tobacco shall be taxed at the rate levied on the sale of tangible personal property at retail by the provisions of § 67-6-202.

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(c) The retail sale of food and food ingredients sold as unprepared vegetables shall be taxed at the rate of three percent (3%) of the sales price.

SECTION 3. Prior to July 1, 2013, the department of revenue shall develop a list of unprepared vegetable items; such list shall be maintained on the web site of the department.

SECTION 4. Sections 1 and 3 of this act shall take effect upon becoming law, the public welfare requiring it. Section 2 of this act shall take effect on July 1, 2013, the public welfare requiring it.